



Billing Code: 3410-30-P

DEPARTMENT OF AGRICULTURE

Food and Nutrition Service

Summer Food Service Program

2020 Reimbursement Rates

AGENCY: Food and Nutrition Service, USDA.

ACTION: Notice.

SUMMARY: This notice informs the public of the annual adjustments to the reimbursement rates for meals served in the Summer Food Service Program for Children. These adjustments address changes in the Consumer Price Index, as required under the Richard B. Russell National School Lunch Act. The 2020 reimbursement rates are presented as a combined set of rates to highlight simplified cost accounting procedures. The 2020 rates are also presented individually, as separate operating and administrative rates of reimbursement, to show the effect of the Consumer Price Index adjustment on each rate.

DATES: Implementation date: January 1, 2020.

FOR FURTHER INFORMATION CONTACT: J. Kevin Maskornick, Program Monitoring and Operational Support Division, Child Nutrition Programs, Food and Nutrition Service, United States Department of Agriculture, 1320 Braddock Place, Suite 401, Alexandria, Virginia 22314.

SUPPLEMENTARY INFORMATION:

The Summer Food Service Program (SFSP) is listed in the Catalog of Federal Domestic Assistance under No. 10.559 and is subject to the provisions of Executive Order 12372, which requires intergovernmental consultation with State and local officials. (See 2 CFR, 415 and final rule-related notice published at 48 FR 29114, June 24, 1983.)

In accordance with the Paperwork Reduction Act of 1995, 44 U.S.C. 3501-3520, no new recordkeeping or reporting requirements have been included that are subject to approval from the Office of Management and Budget.

This notice is not a rule as defined by the Regulatory Flexibility Act, 5 U.S.C. 601-612, and thus is exempt from the provisions of that Act. Additionally, this notice has been determined to be exempt from formal review by the Office of Management and Budget under Executive Order 12866.

Definitions

The terms used in this notice have the meaning ascribed to them under 7 CFR Part 225 of the SFSP regulations.

Background

This notice informs the public of the annual adjustments to the reimbursement rates for meals served in SFSP. In accordance with sections 12(f) and 13, 42 U.S.C. 1760(f) and 1761, of the Richard B. Russell National School Lunch Act (NSLA) and SFSP

regulations under 7 CFR Part 225, the United States Department of Agriculture announces the adjustments in SFSP payments for meals served to participating children during calendar year 2020.

The 2020 reimbursement rates are presented as a combined set of rates to highlight simplified cost accounting procedures. Reimbursement is based solely on a “meals times rates” calculation, without comparison to actual or budgeted costs.

Sponsors receive reimbursement that is determined by the number of reimbursable meals served, multiplied by the combined rates for food service operations and administration. However, the combined rate is based on separate operating and administrative rates of reimbursement, each of which is adjusted differently for inflation.

Calculation of Rates

The combined rates are constructed from individually authorized operating and administrative reimbursements. Simplified procedures provide flexibility, enabling sponsors to manage their reimbursements to pay for any allowable cost, regardless of the cost category. Sponsors remain responsible, however, for ensuring proper administration of the Program, while providing the best possible nutrition benefit to children.

The operating and administrative rates are calculated separately. However, the calculations of adjustments for both cost categories are based on the same set of changes in the *Food Away From Home* series of the Consumer Price Index for All Urban

Consumers, published by the Bureau of Labor Statistics of the United States Department of Labor. They represent a 3.2 percent increase in this series for the 12-month period, from November 2018 through November 2019 (from 278.306 in November 2017 to 287.255 in November 2019).

Table of 2020 Reimbursement Rates

Presentation of the 2020 maximum per meal rates for meals served to children in SFSP combines the results from the calculations of operational and administrative payments, which are further explained in this notice. The total amount of payments to State agencies for disbursement to SFSP sponsors will be based upon these adjusted combined rates and the number of meals of each type served. These adjusted rates will be in effect from January 1, 2020 through December 31, 2020.

These changes are reflected below.

All States except Alaska and Hawaii – Rural or Self-prep Sites – Breakfast – 2 dollars and 37.50 cents (7.75 cent increase from the 2019 reimbursement rate), Lunch or Supper – 4 dollars and 15.25 cents (12 cent increase), Snack – 97.75 cents (2.5 cent increase); All Other Types of Sites – Breakfast – 2 dollars and 33 cents (7.5 cent increase), Lunch or Supper – 4 dollars and 8.75 cents (12 cent increase), Snack – 95.5 cents (2.25 cent increase).

Alaska – Rural or Self-prep Sites – Breakfast – 3 dollars and 84.75 cents (12.25 cent increase), Lunch or Supper – 6 dollars and 73.75 cents (21 cent increase), Snack – 1 dollar and 59.25 cents (4.5 cent increase); All Other Types of Sites – Breakfast – 3

dollars and 77.5 cents (12 cent increase), Lunch or Supper – 6 dollars and 63 cents (20.75 cent increase), Snack – 1 dollar and 55.75 cents (4.5 cent increase).

Hawaii – Rural or Self-prep Sites – Breakfast – 2 dollars and 77 cents (8.75 cent increase), Lunch or Supper – 4 dollars and 86 cents (14.5 cent increase), Snack – 1 dollar and 14.5 cents (3.25 cent increase); All Other Types of Sites – Breakfast – 2 dollars and 71.75 cents (8.5 cent increase), Lunch or Supper – 4 dollars and 78.25 cents (14.25 cent increase), Snack – 1 dollar and 12 cents (3.5 cent increase).

2020 Reimbursement Rates (Combined)

Per Meal Rates in whole or fractions of U.S. dollars	All States except Alaska and Hawaii	All States except Alaska and Hawaii	Alaska	Alaska	Hawaii	Hawaii
Site Types	Rural or Self-prep Sites	All Other Types of Sites	Rural or Self-prep Sites	All Other Types of Sites	Rural or Self-prep Sites	All Other Types of Sites
Breakfast	2.3750	2.3300	3.8475	3.7750	2.7700	2.7175
Lunch or Supper	4.1525	4.0875	6.7375	6.6300	4.8600	4.7825
Snack	0.9775	0.9550	1.5925	1.5575	1.1450	1.1200

Operating Rates

The portion of the SFSP rates for operating costs is based on payment amounts set in section 13(b)(1) of the NSLA, 42 U.S.C. 1761(b)(1). They are rounded down to the nearest whole cent, as required by section 11(a)(3)(B)(iii) of the NSLA, 42 U.S.C. 1759a(a)(3)(B)(iii).

These changes are reflected below.

All States except Alaska and Hawaii – Breakfast – 2 dollars and 16 cents (7 cents increase from the 2019 reimbursement rate), Lunch or Supper – 3 dollars and 76 cents (11 cents increase), Snack – 87 cents (2 cents increase).

Alaska – Breakfast – 3 dollars and 50 cents (11 cents increase), Lunch or Supper – 6 dollars and 10 cents (19 cents increase), Snack – 1 dollar and 42 cents (4 cents increase).

Hawaii – Breakfast – 2 dollars and 52 cents (8 cents increase), Lunch or Supper – 4 dollars and 40 cents (13 cents increase), Snack – 1 dollar and 2 cents (3 cents increase).

Operating Component of 2020 Reimbursement Rates

Operating Rates in U.S. dollars, rounded down to the nearest whole cent	All States except Alaska and Hawaii	Alaska	Hawaii
Breakfast	2.16	3.50	2.52
Lunch or Supper	3.76	6.10	4.40
Snack	0.87	1.42	1.02

Administrative Rates

The administrative cost component of the reimbursement is authorized under section 13(b)(3) of the NSLA, 42 U.S.C. 1761(b)(3). Rates are higher for sponsors of sites located in rural areas and for “self-prep” sponsors that prepare their own meals at the SFSP site or at a central facility instead of purchasing them from vendors. The administrative portion of SFSP rates are adjusted, either up or down, to the nearest quarter-cent.

These changes are reflected below.

All States except Alaska and Hawaii – Rural or Self-prep Sites – Breakfast – 21.50 cents (0.75 cent increase from the 2019 reimbursement rate), Lunch or Supper – 39.25 cents (1

cent increase), Snack – 10.75 cents (0.5 cent increase); All Other Types of Sites – Breakfast – 17 cents (0.5 cent increase), Lunch or Supper – 32.75 cents (1 cent increase), Snack 8.5 cents (0.25 cent increase).

Alaska – Rural or Self-prep Sites – Breakfast – 34.75 cents (1.25 cent increase), Lunch or Supper – 63.75 cents (2 cent increase), Snack – 17.25 cents (0.5 cent increase); All Other Types of Sites – Breakfast – 27.50 cents (1 cent increase), Lunch or Supper – 53 cents (1.75 cent increase), Snack – 13.75 cents (0.5 cent increase).

Hawaii – Rural or Self-prep Sites – Breakfast – 25 cents (0.75 cent increase), Lunch or Supper – 46 cents (1.5 cent increase), Snack – 12.50 cents (0.25 cent increase); All Other Types of Sites – Breakfast – 19.75 cents (0.5 cent increase), Lunch or Supper – 38.25 cents (1.25 cent increase), Snack – 10 cents (0.5 cent increase).

Administrative Component of 2020 Reimbursement Rates

Administrative Rates in U.S. dollars, adjusted, up or down, to the nearest quarter-cent	All States except Alaska and Hawaii	All States except Alaska and Hawaii	Alaska	Alaska	Hawaii	Hawaii
Site Types	Rural or Self-prep Sites	All Other Types of Sites	Rural or Self-prep Sites	All Other Types of Sites	Rural or Self-prep Sites	All Other Types of Sites
Breakfast	0.2150	0.1700	0.3475	0.2750	0.2500	0.1975
Lunch or Supper	0.3925	0.3275	0.6375	0.5300	0.4600	0.3825
Snack	0.1075	0.0850	0.1725	0.1375	0.1250	0.1000

Authority: Sections 9, 13, and 14, Richard B. Russell National School Lunch Act, 42

U.S.C. 1758, 1761, and 1762a, respectively.

Dated: January 14, 2020.

Pamilyn Miller,
Administrator,
USDA Food and Nutrition Service.

[FR Doc. 2020-01607 Filed: 1/29/2020 8:45 am; Publication Date: 1/30/2020]